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July 13, 2007

The Honorable Collin Peterson Chairman Committee on Agriculture U.S. House of Representatives Washington, DC 20515

Dear Chairman Peterson:

On behalf of the National Cotton Council, I am pleased to convey our support for the cotton provisions in the Chairman's mark released on July 6. We are also pleased to note the continuation of the three components of the farm safety net that have served production agriculture so well for the past five years. Reauthorization of the direct and counter-cyclical programs in conjunction with the marketing loan provides a fiscally responsible safety net with minimal market disruption. Further, the continuation of cropping flexibility is vitally important as evidenced by acreage responses this year. In addition, the provisions related to conservation, rural development, trade, research and nutrition are vital for the economic and social stability of rural and urban America.

We are especially appreciative for the inclusion of the modifications to the cotton program designed to make our program more efficient and even more market oriented. The U.S. cotton industry remains concerned about limitations on eligibility for and availability of program support. Limits hit producers hardest when prices are low and the safety net is critical to maintaining infrastructure. We appreciate your sensitivity to this issue and your efforts to ensure any modifications do not have a disproportionate impact on crops or regions.

Sincerely,

John E. Pucheu, Jr.

Chairman